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USTR Announces Free Trade Talks Will Begin
With the Dominican Republic

MIAMI - U.S. Trade Representative Robert B. Zoellick today met with Sonia Guzman, Secretary of Industry and Commerce of the Dominican Republic, to move ahead with negotiations to integrate the Dominican Republic into the FTA currently being negotiated between the United States and five nations in Central America. The two countries are planning to hold the first formal negotiating round in the Dominican Republic in January, beginning with a public launch.

"We've been working closely and effectively with Secretary Guzman for well over a year to reach this point, and we now stand ready to begin bilateral FTA negotiations with the Dominican Republic. During our 90-day notice and consultation period with the U.S. Congress, which just ended, we heard considerable bipartisan support for an FTA with the Dominican Republic. So today begins what I expect will be a very productive and positive FTA negotiation," said Zoellick. "The Dominican Republic already is a big market for the United States, and we're pleased to work together to reduce barriers bilaterally, as well as in the ongoing Free Trade Area of the Americas negotiation."

In a Trade and Investment Council (TIC) meeting in Washington November 3-4, both sides reviewed specific provisions of the U.S.-Chile Free Trade Agreement and discussed the state of Central American Free Trade Agreement (CAFTA) negotiations. In addition to exploring various topics such as IPR, services, investment, and dispute settlement, the Dominican team presented its ideas on topics for negotiation and ways to facilitate eventual integration of all seven economies next year. The United States offered to establish a Trade Capacity Building Working Group for the U.S.-Dominican Republic negotiations that, in future meetings, will also include participation by representatives of international institutions, the private sector, and non-governmental organizations that play an important part in this effort. Total U.S. funding for trade capacity building activities in the Dominican Republic was \$5.3 million in fiscal year 2003.

The Dominican Republic has long supported the hemispheric economic integration

envisioned by the FTAA. Negotiations with the Dominican Republic will therefore provide further momentum for the FTAA negotiations as countries observe the benefits of regional integration that this agreement will yield.

"We will soon get down to the hard work of bringing home a deal that will benefit workers, farmers, businesses and consumers in the region," said Zoellick. "It is my hope to visit the Dominican Republic early next year to meet with government officials and public stakeholders as the negotiations begin."

The Dominican Republic is the largest economy in the Caribbean Basin region. An FTA will expand U.S. access to the Dominican Republic's market, which already receives \$4.3 billion in U.S. exports annually and approximately \$1.4 billion in U.S. investment. The Dominican Republic also enjoys strong trade and business ties with Puerto Rico, which will be enhanced by the FTA. The markets of the Dominican Republic and Central American combined would create the second largest U.S. trading partner in Latin America.

Assistant United States Trade Representative for the Americas Regina Vargo will lead the U.S. negotiating team. Secretary of Industry and Commerce Sonia Guzman will lead the negotiations for the Dominican Republic.

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